

Moving to Work Demonstration Program Phase 1 Initiatives for Landlords

10:30 a.m., Tuesday, August 23, 2022



Today's Meeting

This meeting will be recorded and made publicly available on the HPHA's website, http://hpha.hawaii.gov/.

The HPHA will also continue to publish more information on these programs as they continue to develop. Please check our website for regular updates.

If you have questions during the presentation, please feel free to leave them in the chat box and we will address them at the end.



Background

- In January 2022, the HPHA was designated as a Moving to Work (MTW) agency by the federal government.
- MTW is an experimental program that allows housing authorities to be more flexible/efficient with how they operate and spend money.
- MTW lets HPHA create new programs that better address local needs.
- The purpose of MTW is NOT to create work requirements for families receiving public housing or Section 8.



Background



All new MTW initiatives must meet one of three statutory objectives:

- Reduce program costs and increase cost efficiency
- 2. Encourage assisted families to pursue economic self-sufficiency
- Increase housing choice for lowincome families



LIP Funding

Act 287, Session Laws of Hawaii 2022

- In 2022, the Legislature passed HB 1752 which established the three new LIP initiatives in statute and refunded the Damage Reimbursement Program.
 The bill included an appropriation of \$1.45M in State general funds.
- Funds will lapse at the end of the State fiscal year (June 30, 2023), but the HPHA will seek an extension during the next legislative session.
- The appropriation of <u>State funds</u> will fund Year 1 of the programs, afterwhich the HPHA will use its federal funding flexibilities.
- Payment/reimbursement component of each program is NOT guaranteed and will be subject to funding availability.



Landlord Incentive Programs

The goal of the Landlord Incentive Programs (LIP) is to increase the number of landlords that rent to families with Section 8 vouchers:

- Make it easier for families to find an affordable home
- Improving landlord experience when renting to Section 8 families





Landlord Incentive Programs



The HPHA is creating three new initiatives:

- 1. Bonus Payment Program
- 2. Vacancy Loss Payments
- 3. Initial Inspection Flexibilities



LIP Applications



Claims & Application Form

- For your convenience, the HPHA will utilize a single application form for each of its LIPs.
- Simply check which program you're applying for, fill out necessary information, and attach supporting documentation.
- The form will be available on the HPHA's website (http://hpha.hawaii.gov).



Signing Bonus Payments

What is it?

- The HPHA may provide a one-time signing bonus payment of up to one month's rent when a landlord first rents a unit to an HCV tenant.
- Signing bonuses are limited to once per unit.
- Landlords may not receive both a Vacancy Loss Payment <u>and</u> a Signing Bonus at the same time.



Signing Bonus Payments

A landlord is eligible to receive the signing bonus if their unit is located in:

- 1. High-Opportunity Neighborhoods; or
- 2. Areas where vouchers are difficult to use.

How to qualify?

- "High-Opportunity Neighborhoods" include any area with a zip code located in Tier 1 of the most current payment standard chart adopted by the HPHA.
- "Areas where vouchers are difficult to use" is anywhere on Oahu.
 - These criteria may be subject to change as voucher utilization rates increase/decrease around the island.



Signing Bonus Payments

Application Process

Check off New Unit Signing Bonus on the Claims & Application Form.

- The HPHA will only accept applications after a new Request for Tenancy Approval (RFTA) is submitted.
- The application must be submitted within 30 days of submitting the RFTA.

New Unit Signing Bonus – (reimbursement of 1 mo. contract rent) Signing bonuses are limited to once per dwelling unit. The dwelling unit must be present in a High-Opportunity Neighborhood. Please visit https://hpha.hawaii.gov/ to see if your unit qualifies. The dwelling unit must NOT have been leased to a Section 8 participant at any time one year prior to the submittal of a new RFTA.

This image is taken from a working document and is subject to change.



Signing Bonus Payments

Application	 The HPHA will review applications to ensure a landlord has not previously a
Process	signing bonus for the unit.
Payment	 Applications will be reviewed on case-by-case basis. Final approval will be given after the execution of a new Housing Assistance Payments (HAP) contract. If it is determined at a later date that a landlord didn't qualify, the landlord must return the bonus payment.



Vacancy Loss Payments

What is it?	 The HPHA can provide a vacancy loss payment of up to one month's rent if a landlord experienced a vacancy and their next tenant is an HCV participant.
How to qualify?	 A landlord is eligible to receive a vacancy loss payment: Between renting to HCV tenants or When returning to the HCV program for the first time. There is currently no limit to the number of vacancy loss payments that a landlord may qualify for when continuously renting to HCV tenants. The availability and amount of the payment is subject to funding availability.



Vacancy Loss Payments

Application Process

Check off Vacancy Loss Payment on the Claims & Application Form.

• The HPHA will only accept applications when a new Request for Tenancy Approval (RFTA) is submitted.

RECRUITMENT INCENTIVES Please select ONE incentive only.		
	Vacancy Loss Payment – (reimbursement of up to 1 mo. contract rent) Landlords may qualify for a vacancy loss payment regardless of whether the previous renter was a Section 8 participant. A new Request for Tenancy Approval (RFTA) must be submitted to the authority within 90 days from the vacancy date.	

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Vacancy Loss Payments

Application Process

- The application must be submitted within 30 days of submitting the RFTA.
- The application may be denied if:
 - The new move-in was cancelled or did not take place;
 - The preceding vacancy was caused by a failure of the landlord to comply with federal and state nondiscrimination laws, due to a violation of the landlord-tenant code;
 - A previous breach of the terms and conditions of a HAP contract; or



Vacancy Loss Payments

Applications are reviewed on a case-by-case basis. Final approval will be given after the execution of a new Housing Assistance Payments (HAP) contract for a new HCV tenant. The payment amount is not prorated based on the length of the preceding vacancy. This may change subject to future funding availability. If it is later determined that landlord should not have qualified for the program, they are required to return the payment. The HPHA may also deduct the amount from future HAP monthly payments.



Initial Inspection Flexibility

What is it?	 Streamlines the move-in process for HCV tenants and landlords by waiving the initial inspection requirement. In other words, the HPHA will approve a tenant's lease without conducting the an inspection before move-in if the unit qualifies under this program.
How to qualify?	 Eligible units must meet one of the following criteria: 1. The age of the unit is less than five years old; 2. The unit previously passed a HQS inspection (or an equivalent inspection) in last three years; or 3. The unit is located in a census tract with a poverty rate < 10%.



Initial Inspection Flexibility

Application Process

Check off Initial Inspection Flexibility on the Claims & Application Form.

• Applications must be submitted within <u>30 days</u> of submitting the Request for Tenancy Approval (RFTA).

INITIAL INSPECTION FELXIBILITY			
	Lease Approval w/o Initial Inspection		
	An inspection shall be conducted within four months from the start date indicated on the lease. Qualified dwelling units must meet at least one of the following criteria:		
		The age of the unit is less than five years old; (You must attach a valid copy of the <u>Certificate of Occupancy</u> for the dwelling unit issued by the Department of Planning and Permitting, City and County of Honolulu.)	
		The HPHA previously inspected the unit within the past three years (3) and found that it met Housing Quality Standards; or	
		The unit is located in a census tract with a poverty rate below ten percent.	
	Please attach	the signed Landlord Self Certification form.	

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Initial Inspection Flexibility

	 For requests based on the age of the unit (<5 years old), landlords must also submit a copy of the certificate of occupancy.
Application	 For requests based on a recent HQS or equivalent inspection (within the last 3 years), landlords must also submit verification of the passed inspection.
Process	 Equivalent inspections may include those required under LIHTC, performance based contract administration, or other HUD programs.
	 Landlords must certify that their unit is free from any life-threatening deficiencies.
Inchestion	Applications are reviewed on case-by-case basis.
Inspection Waiver	 A unit inspection must be completed within the first four months of the start of tenancy.



QUESTIONS?

Email: hpha@hawaii.gov





